



SR1916

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SENATE RESOLUTION

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WHEREAS, The Medicaid program in Illinois has a substantial and growing impact both in terms of taxpayer dollars and in terms of the effect it has on citizens across the State; and

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WHEREAS, State resources for healthcare services are currently so scarce that many healthcare providers are discontinuing services leading to a profoundly detrimental impact on our communities; and

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WHEREAS, Enrollment under the Department of Healthcare and Family Services' Medical Programs (Medicaid) exceeds 3 million; and

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WHEREAS, Over 60% of the Medicaid population is currently enrolled in Managed Care Organizations (MCOs), making outlays to MCOs one of the largest resource uses in the State; and

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WHEREAS, Heretofore there has been inadequate information disseminated to the General Assembly in terms of how State resources are being spent on MCOs and on the overall healthcare outcomes for individuals enrolled in these MCOs; and

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WHEREAS, In an environment of limited funding for education and other critical needs, the Senate must stay engaged in

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1 Medicaid funding and corresponding healthcare outcome issues
2 and be prepared to make legislative decisions and
3 administrative recommendations; and

4 WHEREAS, Having per-recipient MCO costs from each State
5 fiscal year for each eligibility category as a basis for
6 comparison to the Fee-For-Service baseline per-recipient costs
7 will help this institution determine how effectively Medicaid
8 resources are being managed; therefore, be it

9 RESOLVED, BY THE SENATE OF THE NINETY-NINTH GENERAL
10 ASSEMBLY OF THE STATE OF ILLINOIS, that we request from the
11 Department of Healthcare and Family Services the following
12 information:

13 (1) Calculating a Fee-For-Service baseline.

14 (a) For Fiscal Year 2012, provide the following:

15 (i) The total Fiscal Year 2012 Fee-For-Service
16 Medical liability for the Family Health Plan
17 population divided by the total Fiscal Year 2012
18 Family Health Plan Fee-For-Service recipient
19 member days. This quotient multiplied by 365
20 becomes the Fiscal Year 2012 per-recipient
21 Fee-For-Service cost for the Family Health Plan.

22 (ii) The total Fiscal Year 2012
23 Fee-For-Service Medical liability for the
24 Integrated Care Program population divided by the

1 total Fiscal Year 2012 Integrated Care Program
2 Fee-For-Service recipient member days. This
3 quotient multiplied by 365 becomes the Fiscal Year
4 2012 per-recipient Fee-For-Service cost for the
5 Integrated Care Program.

6 (iii) The total Fiscal Year 2012
7 Fee-For-Service Medical liability for the
8 Medicare-Medicaid Alignment Initiative population
9 divided by the total Fiscal Year 2012
10 Medicare-Medicaid Alignment Initiative
11 Fee-For-Service recipient member days. This
12 quotient multiplied by 365 becomes the Fiscal Year
13 2012 per-recipient Fee-For-Service cost for
14 Medicare-Medicaid Alignment Initiative.

15 For these calculations, "Medical liability" is
16 defined as payments billed by providers to any State
17 agency for healthcare services provided to eligible
18 Medicaid enrollees during dates of service between
19 July 1 and June 30 of each fiscal year (commonly
20 referred to by the Department of Healthcare and Family
21 Services as DCN liability).

22 (b) For Fiscal Year 2013: replicate all steps in
23 (1) (a) using Fiscal Year 2013 Fee-For-Service data.

24 (c) For Fiscal Year 2014: replicate all steps in
25 (1) (a) using Fiscal Year 2014 Fee-For-Service data.

26 (d) For each category (Family Health Plan,

1 Integrated Care Program, and Medicare-Medicaid
2 Alignment Initiative), the Fee-For-Service annual
3 per-recipient cost baseline shall be the sum of the
4 Fiscal Year 2012, Fiscal Year 2013, and Fiscal Year
5 2014 per-recipient cost divided by 3.

6 (e) Provide the Department of Healthcare and
7 Family Services total computable administrative cost
8 for Fiscal Year 2012, Fiscal Year 2013, and Fiscal Year
9 2014. Also, for each of these years, provide the
10 MCO-comparable administrative cost which is calculated
11 by taking the total computable administrative cost
12 less all administrative costs associated with:
13 eligibility screenings, schools, other agencies,
14 federal Electronic Health Records incentives and
15 planning, eligibility system design, and county/local
16 administration.

17 (2) MCO per-recipient costs for Fiscal Year 2015.

18 (a) Sum all MCO capitation payments made on behalf
19 of Family Health Plan recipients during Fiscal Year
20 2015 and divide this sum by the corresponding number of
21 MCO member months for these same recipients during the
22 fiscal year. This becomes the Fiscal Year 2015
23 per-recipient MCO cost for the Family Health Plan.

24 (b) Sum all MCO capitation payments made on behalf
25 of Integrated Care Program recipients during Fiscal
26 Year 2015 and divide this sum by the corresponding

1 number of MCO member months for these same recipients
2 during the fiscal year. This becomes the Fiscal Year
3 2015 per-recipient MCO cost for the Integrated Care
4 Program.

5 (c) Sum all MCO capitation payments made on behalf
6 of Medicare-Medicaid Alignment Initiative recipients
7 during Fiscal Year 2015 and divide this sum by the
8 corresponding number of MCO member months for these
9 same recipients during the fiscal year. This becomes
10 the Fiscal Year 2015 per-recipient MCO cost for the
11 Medicare-Medicaid Alignment Initiative.

12 For (a), (b), and (c), legislatively-mandated
13 changes related to Medicaid reimbursement occurring on
14 or after July 1, 2014 can be excluded from summary
15 totals, although please list and detail these specific
16 items including the actuary's calculations for
17 inclusion into the MCO rates. Also, please exclude (and
18 detail separately) any payments associated with the
19 Hospital Assessment program or the Hospital ACA
20 program.

21 (d) Provide the Department of Healthcare and
22 Family Services total computable administrative cost
23 for Fiscal Year 2015. Additionally provide the Fiscal
24 Year 2015 MCO-comparable administrative cost which is
25 calculated by taking the total computable
26 administrative cost less all administrative costs

1 associated with: eligibility screenings, schools,
2 other agencies, federal Electronic Health Records
3 incentives and planning, eligibility system design,
4 and county/local administration.

5 (e) Provide the aggregate sum total of all MCO
6 payments for Fiscal Year 2015 as well as the aggregate
7 MCO member months for Fiscal Year 2015.

8 (f) Provide the sum total of all encounter data
9 received from MCOs in Fiscal Year 2015.

10 Provide to the Senate Human Services Committee all data
11 requested in (1) and (2) above no later than August 1,
12 2016.

13 (3) MCO per-recipient costs for Fiscal Year 2016.
14 Replicate all steps in (2) above, only substituting in
15 Fiscal Year 2016 data. Provide this data to the Senate
16 Human Services committee by August 31, 2016; and be it
17 further

18 RESOLVED, That a copy of this resolution be presented to
19 the Director of the Department of Healthcare and Family
20 Services.